REMARKS:

Claims 1, 13, 22, 41, and 48 have been amended. Claims 1-36, 41, 42, 48-52, 54-60 are pending in this application. Claims 1, 13, 22, 35, 41, and 48 are the independent claims.

The Examiner objected to claims 1 and 48 because of informalities. The Examiner rejected claims 1, 13, 22, and 41 under 35 U.S.C. § 112, second paragraph, and claims 1-36, 41, 42, 48-52, 54-60 under 35 U.S.C. § 103(a).

Applicants respectfully request reconsideration of the application with respect to claims 1-36, 41, 42, 48-52, 54-60 in light of the remarks set forth herein:

The Claims As Amended Overcome the Examiner's Objections

The Examiner objected to claims 1 and 48 because of grammatical errors in the claim language. Applicants have adopted the Examiner's recommendations and amended claims 1 and 48 to correct these grammatical errors. These changes in no way surrender subject matter previously claimed (see *Festo Corp. v. Shoketsu*, 56 U.S.P.Q.2d 1865 (Fed. Cir. 2000)).

The Claims Satisfy 35 U.S.C. § 112

The Examiner rejected claims 1, 13, 22, and 41 under 35 U.S.C. 112, second paragraph, as being indefinite. Applicants respectfully submit that the original claim language does particularly point out and distinctly claim the subject matter which applicant regards as the invention, in full compliance with Section 112, paragraph two.

With regard to claims 1 and 13, the punctuation makes clear that the phrase "to function substantially independently" is meant to follow "said advertising software adapted". Nevertheless, in order to expedite allowance of the claims and in order to remove any possible perceived ambiguity with the claim language, claims 1 and 13 have been amended to reiterate the clause "said advertising software adapted" before the phrase "to function substantially independently". Applicants' amendment to claims 1 and 13 does not in any way surrender subject matter previously claimed (see *Festo Corp. v. Shoketsu, id.*).

It should be noted that the Examiner objected to claim 22 based on the same reasons given for claims 1 and 13. Claim 22, however, has language similar to that objected to in claim 41 and lacks the language objected to in claims 1 and 13. Accordingly, applicants shall treat the Examiner's rejection of claim 22 as being grounded on the same basis as claim 41.

With regard to claims 22 and 41, applicants submit that the phrase "the original functionality" does not lack antecedent basis, since "the original functionality" is an inherent

characteristic of the "browser" claim element and is not a separately-articulable element or piece of the invention. There is no ambiguity as to the phrase "while maintaining the original functionality of the browser in the browser area." A "browser" is a well-defined piece of software with a well-defined functionality, as described in the background of the specification and as is well-recognized in the art. As set forth in the claims, the functionality of the "browser" is maintained "in the browser area" while advertisements are being displayed to the user in the "advertising area" of the client computer screen. The limitation, accordingly, is not indefinite under Section 112.

In order to expedite allowance of the claims and in order to minimize any possible confusion regarding antecedent basis in the claim language, claims 22 and 41 have been amended to remove the definite article. Again, this amendment does not in any way surrender subject matter previously claimed (see *Festo Corp. v. Shoketsu, id.*).

The Claims Patentably Define the Invention Over Reilly and Judson

The Examiner rejected claims 1-36, 41, 42, 48-52, and 54-60 under 35 U.S.C. § 103(a) as being unpatentable primarily over Reilly et al (U.S. Patent No. 5,740,549) in view of Judson et al. (U.S. Patent No. 5,721,721).

It should be noted that these same references – the Judson patent and the Reilly patent – were applied in the Office Action, dated June 9, 1999, and the same claims above found to contain allowable subject matter, in the Notice of Allowance, dated December 6, 1999. As the Examiner indicated in the Reason For Allowance:

> Prior art of record taken alone or in combination fail to teach or suggest an advertising software that functions substantially independently of a browser on a client computer taken in combination with a system and method for providing to a user advertising on a hypertext network as recited in independent claims 1, 13 and 22 and in the specification.

More than eight months after payment of the issue fee, a Notice of Withdrawal From Issue Under 37 C.F.R. § 1.313(b) was issued, explaining only that the action was "due to unpatenatability [sic] of one or more claims." The instant office action does not reveal any new aspect of either reference that suggests that the claims no longer contain allowable subject matter.

The Examiner bears the initial burden of establishing a *prima facie* case of obviousness with respect to an obviousness rejection under 35 U.S.C. § 103(a). M.P.E.P. § 2142. To establish a prima facie case of obviousness, the Examiner must show, *inter alia*, that there is

some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify or combine the references and that, when so modified or combined, the prior art teaches or suggests all of the claim limitations. M.P.E.P. § 2143. Applicant respectfully submits that the Examiner has not established a *prima facie* case of obviousness because the prior art references cited, however modified or combined, fail to teach or suggest all of the claim limitations.

The Reilly patent merely discloses an instantiation of the PointCast Network system, which is discussed at length in the "Background of the Invention" section of the patent application (at pages 4-7). The operation of the PointCast Network is, in fact, illustrated in FIG. 1 and 2 of the patent application and contrasted explicitly with the present invention. As shown in FIG. 1 and 2, the PointCast Network utilizes a software application that includes a browser that has been integrated with the application software. The browser can show advertisements in the corner of the browser screen which link to the Uniform Resource Locator (URL) of the advertiser. See Background of the Invention, pages 4-5. The advertisement is part of the browser presentation of information. When the advertisement link is selected by the user, the browser window replaces the content of the window presentation – including the advertisement link – with the webpage of the advertiser.

With respect to independent claims 1, 13, and 22, the Examiner has conceded that "Reilly does not specifically detail the claimed features of 'the browser controlling the presentation of second set of information to the user in a second region of the display device . . . . and to function substantially independently of the browser on the client computer.'" With all respect to the Examiner, what Reilly and the PointCast Network does not show is not so much the "browser" per se. Instead, what Reilly and the PointCast Network does not show is the "advertising software" which is separate and functioning substantially independently of a "browser" and which controls the presentation of advertisements received from the server to the user in a region of the display device separate from the browser presentation of information. In the PointCast Network, the advertisements are presented through a browser which has been integrated into an application whose primary purpose is to present the information and advertisements in a screensaver during periods of computer inactivity. The control of the advertisements and the interaction with those advertisements is limited due to the integration of the advertisement presentation with the browser presentation of other information. The advantages of the present invention, on the other hand, are based at least in part on the independent operation of the browser area which retains the original functionality of the browser and can act independently of the advertising area which can present a different and more advantageous user interface for dealing with advertising.

Accordingly, the Judson patent, which the Examiner observes "discloses a method of browsing the World Wide Web using a browser for displaying information including advertisements," does nothing to overcome the shortcomings of the Reilly patent in the art. All that Judson discloses is the well-known concept that the browser can be utilized to display advertisements, again a concept which is thoroughly discussed in the Background of the Invention in this case. As noted above, the advertisements in the present invention are not displayed in the browser, as they are in Judson and the PointCast Network. A careful review of Judson reveals that the main concern with Judson is the presentation of information in the browser screen when the browser has requested information and is waiting for that information. During that short (or long, depending on the speed of the user's connectivity to the Internet) period of waiting for a webpage to load, Judson discloses presenting some secondary information to the user rather than a blank screen. This requires a slight modification to the operation of conventional browsers. Again, Judson does not disclose the type of "advertising software" separate from a conventional browser discussed above.

With respect to independent claims 35 and 41, the Examiner observes, similarly to the above independent claims, that "Reilly does not specifically [sic] a browsing area the claimed features of 'the browser controlling the presentation of second set of information to the user in a second region of the display device . . . . and to function substantially independently of the browser of the client computer.'" With all due respect, what Reilly does not show, again, is not the "browsing area" per se but, instead, is the "loading of advertising software" which creates an "advertising area" separate from the "browsing area" and which is used to present advertisements streamed from a server. The portions of the Reilly patent which the Examiner asserts discloses "loading advertising software" do not support the Examiner's contentions. Col. 2, lines 2-7 merely describes the prior art software used to present advertisements. Col. 5, lines 47-48 reads only that the "information database" which is part of the information server "stores software modules 144 for downloading to subscribers' computers." The portions of Reilly that the Examiner cites as proof that Reilly discloses "displaying said advertisement to the user in said advertising area" ignore the difference between "advertising area" and "browsing area" that is thoroughly described in the present invention. Combining Reilly with the Judson reference again does not aid in supporting the section 103(a) rejection. Judson, to the extent it discloses "using a browser for displaying information including advertisements", clearly does not disclose loading advertising software which creates an advertising area separate from the browsing area.

With respect to independent claim 48, the Examiner again concedes that "Reilly does not specifically disclose the claimed features of 'a memory that stores browser software adapted to be executed to retrieve and display a hypertext page from a site the [sic].'" With all due respect,

this observation again mixes the nature of the "advertising software" and the "browser software". The passages that the Examiner cites as disclosing "advertising software adapted to retrieve and display an advertisement from an advertising server . . . (column 5, lines 25-60)" confuses the nature of the "advertising software" in the present invention. As discussed above, the "advertising software" is loaded into the memory of the client computer and is separate from the conventional "browser software" discussed in Judson and shown in the PointCast Network. The "advertising software" discussed in col. 5, lines 25-60 of Reilly, are "scripts" on an information server, identified as 104 in FIG. 1 of Reilly, not a client computer, which are shown as 102 in FIG. 1. The use of scripts to show advertisements in webpages presented to browser clients over the Internet is well known and disclosed in the Background of the Invention. Again, the nature of the scripts is that they process information that is presented to a user within a conventional browser – not in advertising software that is separate from a browser. The "browser" teachings of Judson do not overcome the limitations of the Reilly patent.

The remaining claims are dependent upon the independent claims discussed above and, accordingly, incorporate all of the claim limitations of the independent claims. Applicants submit that the claims in their original form and as modified above still represent allowable subject matter. Accordingly, a Notice of Allowance to this effect is earnestly solicited.

The Examiner is invited to contact the undersigned at 908-221-5438 to discuss any matter concerning the application.

The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C. F. R. 1.16 and 1.17 to **AT&T Corp. Deposit Account No. 01-2745 .**

Respectfully submitted,
Jitendra Apte
Marina Lima Roesler

Date: August 13, 2001

By _____
Benjamin S. Lee
Registration No. 42,787

AT&T CORP.
P.O. Box 4110
Middletown, NJ 07748
Tel: 908-221-5438
Fax: 732-368-6932

VERSION WITH MARKINGS TO SHOW CHANGES MADE

In the Claims:

Claims 1, 13, 22, 41, and 48 have been amended as follows:

1. (Twice Amended) A system for providing to a user advertising on a hypertext network, comprising:

a. a server having advertisements, said server connected to the network;

b. a client computer comprising advertising software, a display device, a storage device, an input device and a browser, said client computer connected to the network, said advertising software controlling the presentation of a first set of information to the user in a first region of said display device, said browser controlling the presentation of a second set of information to the user in a second region of said display device, said advertising software adapted to receive an advertisement form said server, said advertising software adapted to include said advertisement in said first set of information presented to the user in said first region of said display device, and said advertising software adapted to function[ing] substantially independently of said browser on said client computer.

13. (Twice Amended) A system for providing to a user advertising on a hypertext network, comprising:

a. a server storing advertisements, said server connected to the network;

b. a client computer having a display device, a browser and advertising software, said advertising software [that] operat[es]ing substantially independently of said browser, said client computer connected to the network, said advertising software adapted to receive and display said advertisements in sequence from said server, and said advertising software presented on a region of the display device to the user an advertising area comprising:

i. a control area having a pause button, a step back button, and a step forward button by which the presentation of advertisements to the user is controlled by a user;

ii. a display area where advertisements are displayed in sequence to the user; and

iii. a transaction area having a secure purchase button for effectuating a secure purchase transaction at the user's request.

22. (Twice Amended) A method for providing advertising to a user on a hypertext network, comprising the steps of:

a. loading advertising software from a server on a client computer with a browser at a user's request, said software dividing the client computer screen into a browser area and an advertising area;

b. streaming a sequence of advertisements from said server to said client computer at the request of said client computer; and

c. displaying said advertisements to the user in said advertising area while maintaining [the original] functionality of the browser in the browser area.

41. A method of effectuating a secure purchase transaction on a hypertext network, comprising the steps of:

a. loading advertising software from a server on a client computer with a browser at a user's request, said software dividing the client computer screen into a browser area and an advertising area;

b. streaming a sequence of advertisements from said server to said client computer at the request of said client computer;

c. displaying said advertisements to the user in said advertising area while maintaining [the original] functionality of the browser in the browser area;

d. accepting a secure purchase request from a user for the item offered in a presently displayed advertisement;

e. accepting a confidential authentication password from the user; and

f. forwarding preregistered purchaser information to the sponsor of said presently displayed advertisement if the confidential authentication password provided by the user matches a confidential authentication password stored on said server, and generating an error message if said password provided by the user does not match said password stored on said server.

48. (Three Times Amended) A client computer for presenting advertising to a user, comprising:

a. a microprocessor;

b. a memory that stores browser software adapted to be executed [by]to retrieve and display a hypertext page from a site and advertising software adapted to retrieve and display and advertisement from an advertising server, said advertising software further adapted to be executed by said microprocessor to display a step forward button and a step back button to the user, such that when the step forward button is selected by the user, a next advertisement in a sequence of advertisements from the advertising server is displayed to the user independently from the page that is displayed to the user by the browser, and when the step back button is selected by the user, a previous advertisement in the sequence of advertisement form the advertising server is displayed to the user independently from the page that is displayed to the user by the browser; and

c. a display device on which to display the hypertext page and the advertisement to the user.